FINANCIAL SECRETARIAT.

Reviews the Administration Report of the Excise Department for the year 1927-28.

READ—

Letter No. B3-Ped. 44-27, dated 18th October 1928, from the Excise Commissioner in Mysore, forwarding the report on the administration of the Excise Department, for the year 1927-28.

ORDER NO. FL. 4408-17—EX. 58-28-3, DATED 12—13TH DECEMBER 1928.

Recorded.

2. The year under review has witnessed several improvements in the administration and working of the Department. To satisfactorily cope with the excise work in the districts and handle the problems connected therewith, separate District Excise Officers were appointed in the Districts of Bangalore and Kolar during the year. The scheme has since been extended to three more Districts, *viz.*, Mysore, Shimoga and Hassan. The question of appointing whole-time District Excise Officers in the remaining districts, will be considered as and when the need is felt and funds are forthcoming.

3. The scale of pay of the subordinate executive staff was suitably revised. The re-organisation of the office establishment of the Excise Commissioner is under the consideration of Government.

4. In pursuance of the policy of securing the maximum of revenue with the minimum of consumption tree-tax on several kinds of toddy-yielding trees was enhanced (as noted in the margin) to have effect from 1st July 1928.

	From	To
	Rs. a. p.	Rs. a. p.
Date	... 2 8 0	3 0 0
Cocoanut	.. 4 8 0 (Half year.)	5 0 0 (Half year.)
Bagani	... 2 4 0	2 8 0
Palmyra	... 2 0 0	2 4 0

The issue price of ganja was enhanced from Rs. 1-12-0 to Rs. 2 and that of opium from Rs. 75 to Rs. 80 per seer of 80 tolas.

The limit of private possession of arrack including jaggory arrack was reduced from 8½ to 6 drams. The aggregate number of shops of all kinds closed during the year was 61.

5. For the prompt investigation and disposal of illicit distillation cases, the Tarikere Taluk was constituted into an independent Excise Range under Inspector, who is placed also in charge of the mobile party.

6. The existing system of handing over by the outgoing contractor to the incoming contractor on payment of value, the stock and blocks of the Government Central Distillery at Bangalore at the time of each change in the arrack manufacturing contract has been found to be very unsatisfactory and orders have issued for the taking over by Government of the entire machinery and plant on the expiry of the current contract.

7. The transport of liquor by motor lorry from the Shimoga Station to mofussil depots in that district and also to Koppa and Sringeri, experimentally introduced during the year is reported to be working satisfactorily. The extension of this arrangement throughout the State is under consideration. For further reducing transport charges and wastage, Government have sanctioned the construction of a warehouse at Shimoga.

8. The paucity of tappable date trees within easy reach of contractors has led to intensive tapping and malpractices. The Committee appointed to go into the question of the conservation and growth of date plantations, has submitted its recommendations. The proposals are under the consideration of Government. In the meantime preliminary action has been taken by the Department to form blocks of date groves in the Tiptur and Goribidnur Taluks and to raise a date plantation near Pavagada. The result of the experiment is awaited with interest.

9. *Manufacture of Country Spirits.*—The report shows that some defects noticed last year in the working of the Central Distillery have been removed, but there is need for further improvement. The contractor should be asked to complete the

construction of the flues and instal the boiler without delay. Arrangements should be made in communication with the Bangalore City Municipality for preventing flow of surplus sewage water into the Chikkere Tank. The supply of filtered water is reported to have been irregular for some days during summer due to the diversion of water for other areas from the distillery pipe line. The Excise Commissioner suggests the cutting off of the side pipe lines or the putting up of a new pipe line of bigger dimensions. The matter should be taken up with the Water Supply Department early and the defect got remedied.

10. The total quantity of spirits manufactured during the year amounted to 3,61,314 gallons as against 3,22,644 gallons in the preceding year, and including the previous year's balance the stock available for issue was 3,81,781 gallons out of which 3,58,378 gallons (including 68,277 gallons issued to the Civil and Military Station) were issued for consumption as against 3,32,257 gallons in the previous year. A sum of Rs. 99,432 is reported to have accrued as profit to Government from the sale of arrack to licensees.

11. *Transport of Liquor.*—The transport of liquor continued to be managed satisfactorily under departmental control. The total quantity of molasses arrack transported during the year amounted to 2,76,078 gallons as against, 2,48,285 gallons in the previous year. It is gratifying to note that there has been a steady reduction in wastage ever since the transport business was undertaken by the Department. The percentage of wastage during the year under review was 0·9, the lowest on record.

12. *Consumption of Country Spirits.*—Government have perused with interest the Excise Commissioner's observations in para 13 of the report on the statistics of consumption of liquor. It is noted that the slight rise in consumption during the year, *viz.*, 1,82,400 gallons (proof) as against 1,67,200 gallons in the year 1926-27, is attributed to increased demand for labour for works under construction in several parts of the State, favourable seasonal condition and greater vigilance in the detection of excise offences. The decreases in Channagiri and Shikarpur Taluks in the Shimoga District, in Siddlaghatta and Chikballapur in the Kolar District are noticeable. The Excise Commissioner is requested to investigate the causes and take necessary action if the fall in these places was due to illicit distillation or other malpractices.

13. *Special Liquors.*—There was some decrease in the consumption of bottled liquors consisting of jaggory arrack of 35° U.P. and special liquors of 20° U.P. in all the districts except Kadur and it is ascribed to the inconvenience felt by licensees in obtaining supplies direct from the Distillery. This system has since been changed and supplies of these liquors are now made from the bonded depots to the licensees.

14. *Rectified Spirits.*—The quantity of rectified spirits issued from the Distillery during the year amounted to 3,948 gallons as against 3,329 gallons in the previous year out of which 1,308 gallons were issued free of duty and 2,637 gallons at concession rates of duty chiefly to the Mysore Pharmaceuticals, Limited, Bangalore and three gallons to licensed Chemists on payment of full duty. With a view to encouraging local industries in the State, sanction has been accorded for the issue of alcohol free of duty to important industrial concerns under certain conditions.

15. *Denatured Spirits.*—The Rules regulating the manufacture of denatured spirits were revised so as to permit the use of methyl alcohol produced at the Bhadravati Iron Works in lieu of light caoutechoucine. The price was reduced from Rs. 3-8-0 to Rs. 3-4-6 per gallon, excluding the bottling charges owing to permission granted to the manufacturing contractor to use spirits of 50° U.P. in the manufacture of these spirits instead of spirits of 60° U.P.

The Excise Commissioner observes that the rules regarding the levy of duty on imports of medicinal and toilet preparations made from alcohol of Indian manufacture were not properly enforced by the Local Excise Staff during the year. Some cases of unauthorised imports during the year are reported to have been since detected by the staff of Excise Intelligence Bureau. It is hoped that effective arrangements will be made to enforce the rules and to permit the imports only on payment of proper duty.

16. *Toddy.*—The revenue from toddy has been steady with an incidence of Re. 0-9-3 per head of population as in the previous year. The realisations were as follows:—

	Rs.
Tree-tax	9,51,569
Shop rental	23,49,182
Tree rent	88,602

The number of shops decreased from 2,547 to 2,497 while the number of trees tapped rose to 3,50,771 from 3,47,978 in 1926-27. A heavy fall of 3,581 trees is reported in Chitaldrug District. The Deputy Commissioner suspects that this is partly due to malpractices and there is scope for brisk detection work. The continued decrease in the number of bagani trees from 14,893 in 1919-20 to 8,556 in the year under review also requires investigation. The Excise Commissioner is requested to examine the feasibility of the suggestion of the Deputy Commissioner, Kadur District, to encourage offers to sell date toddy in bagani areas and to submit his recommendation to Government.

17. *Malt and Foreign Liquors.*—The consumption of beer remained almost the same as in the previous year, at 11,447 gallons while the quantity of Foreign liquors (including malt liquors) consumed, rose to 25,078 from 23,653 gallons in the year previous. The revenue realised amounted to Rs. 14,509 as against 13,978 in 1926-27.

The increase in consumption was noticeable in the Mysore District. As observed by the Excise Commissioner, it is necessary that the sales in the 'Retail off' shops should be watched with a view to prevent malpractices by vendors.

18. *Ganja.*—During the year, ganja was grown on 40 acres as against 25 acres in the year 1926-27 giving a total yield of 286 maunds. The quality of ganja is reported to have been more resinous than that of last year. The quantity consumed during the year was 10,409 seers and the revenue realised Rs. 4,18,353 as against 12,030 seers and Rs. 4,30,624 respectively in the year previous.

The decrease in consumption is attributed to the increase of duty from Rs. 20 to Rs. 22-8-0 and also to the measures taken to restrict the issues to prevent smuggling of the drug outside the State.

The stock at the end of the year was heavy (17,917 seers). It is reported that according to the recommendation of the Ganja Classification Committee, action has been taken to destroy the old and useless stuff not fit for consumption.

19. *Opium.*—The consumption of opium remained almost stationary, being 1,393 seers as against 1,362 seers of last year. The revenue from rental slightly rose from Rs. 23,968 to Rs. 25,468.

20. *Financial Results.*—Inclusive of Rs. 3,19,861 outstanding at the beginning of the year, the total demand for the year amounted to Rs. 68,84,276 out of which Rs. 66,15,734 were collected during the year and a sum of Rs. 26,965 was remitted leaving a balance of Rs. 2,41,577 at the end of the year as against 3,19,861 outstanding at the beginning of the year.

The incidence of excise revenue per head of population was Rs. 1-2-4 as against Rs. 1-2-2 in the preceding year.

While the collection of current demand was uniformly good in all the districts, the realisation of old arrears was far from satisfactory. The arrears are reported to be heavy in the Districts of Bangalore, Mysore and Tumkur. Government wish to impress on the Deputy Commissioners of Districts the need for speedy collection of all realisable arrears. The amounts definitely ascertained to be irrecoverable even after best efforts made should be written off under proper sanctions. The officers responsible for collection work should be told that they will be held personally liable if amounts become irrecoverable owing to their laches and negligence.

21. *Inamdars' Claims to Excise Revenue from Toddy.*—The disposal of the claim to Excise Revenue of Jodi Kodial Kerenahalli pending in the Bangalore District, should be expedited.

22. *Excise Licensing Boards.*—Only 25 out of the 39 Excise Licensing Boards constituted in the State, are reported to have met and discussed questions relating to the location and the number of Excise shops. The Licensing Boards in the marginally noted places did not meet during the year. The Deputy Commissioners are requested to advise the members of the Boards to evince greater interest in dealing with Excise matters within their purview.

Anekal	Chikuayakanhalli
Dodballapur	Tiptur
Magadi	Chikmagalur
Channapatna	Shimoga
Closepet	Chitaldrug
Kankanhalli	Harihar
Tumkur	

23. *Offences.*—The detection work recorded in the report is good. The number of offences reported under the Excise and Opium Laws was 2,828 during the year as against 2,469 in the year preceding. Of these 581 related to heinous offences, 2,247 were minor offences relating to breaches of license conditions and cutting of date leaves. Of the heinous offences 228 related to illicit distillation against 128 in the previous year. As many as 144 cases have been reported from the Shimoga District and 52 from the Kadur District.

24. The percentage of disposals of cases departmentally by composition was better than last year, being 92·6 as against 88·1 in 1926-27. But the percentage of conviction by the Magistry fell to 72·9 from 84 in the previous year. There is need for the exercise of greater care by the Excise staff in the investigation of heinous cases.

25. *Inspection.*—The inspection work of the Excise Commissioner and of the Deputy Commissioners of six districts was satisfactory. The Deputy Commissioners of Bangalore and Kadur are requested to devote greater attention to this branch of work. The record of inspection of the Sub-Division Officer of Hassan and the District Excise Officer, Bangalore, is very poor.

The Excise Commissioner is requested to impress on all Excise Officers the necessity for a systematic and thorough inspection of shops and groves in their jurisdiction.

26. Government are glad to record that the administration of the Department during the year under review was satisfactory.

B. SRINIVASA IYENGAR,
Financial Secretary to Government.

Grants-in-aid for Homes for the relief of Destitute and Infirm.

READ—

Government Order No. 2159-60—Muz. 347-27-2, dated 29th May 1928, specifying the objects for which the savings secured by the abolition of Government Annachattrams in the State could be utilised and allotting a sum of Rs. 15,000 per year for making grants-in-aid to Homes for the relief of the Destitute and Infirm.

2. Letter No. 753 of 1928-29, dated 28th November 1928, from the Muzrai Commissioner in Mysore, requesting that, for reasons stated, he may be given an opportunity to examine the proposals coming up for help under the scheme sanctioned in the above Government Order and to express an opinion on the merits of each proposal.

ORDER NO. 1195-204—MUZ. 206-28-2, DATED 19TH DECEMBER 1928.

The Muzrai Commissioner's suggestion is approved. In continuation of the Order read above, Government are pleased to direct that all applications for help under the order should be sent to the Muzrai Commissioner for submission to Government for sanction, with his opinion thereon.

B. SRINIVASA IYENGAR,
Secretary to Government,
Financial Department.